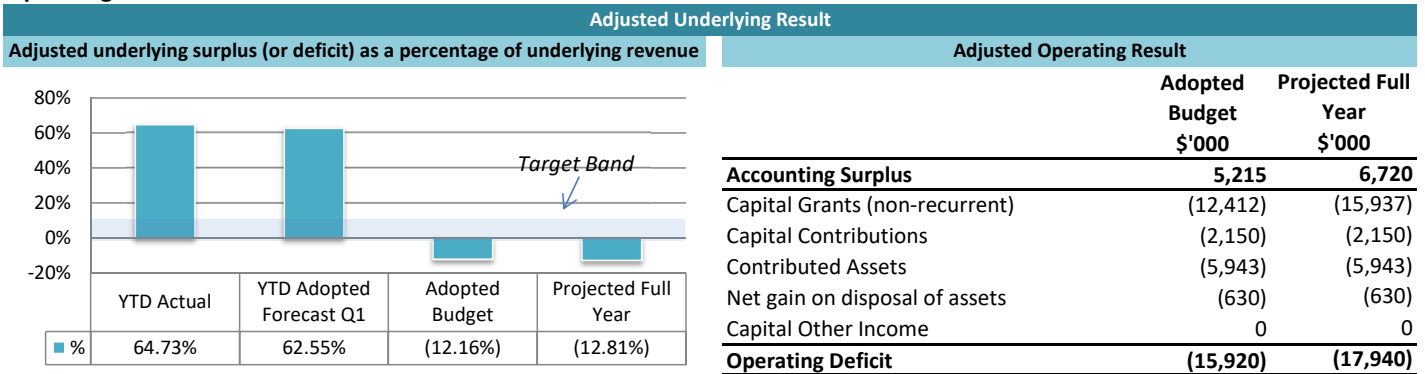


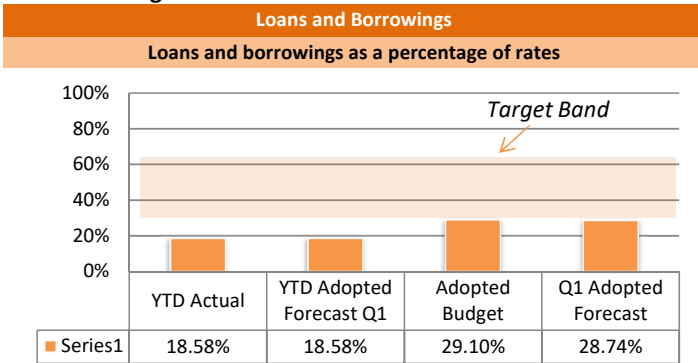
MONTHLY FINANCIAL REPORT SEPTEMBER 2020

Operating Performance



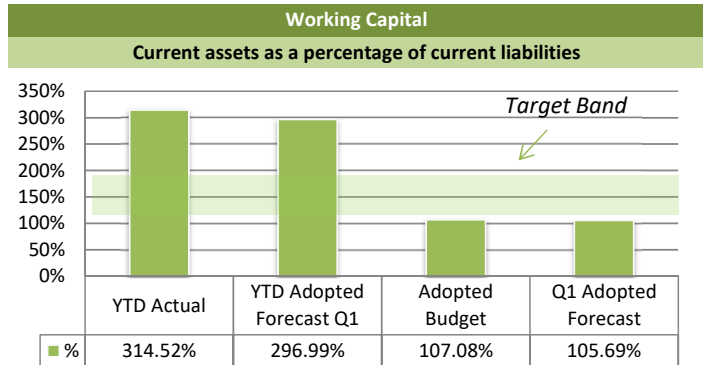
- Local Government Victoria acceptable range -20% to 20%
- Council target band of 0% to 10% (Operating Surplus)
- The surplus has been adjusted to reflect the true operating result by removing items that do not fund Council operations. Capital income including non-recurrent grants, contributions and other capital income is used to fund the capital works program, while contributed assets and the net loss on disposal of assets are non-cash items.
- Adopted Budget and Projected Full Year are below Council's target band mostly due to the early receipt of 50% of the 2020/2021 Federal Financial Assistance Grants in May 2020 (\$6.66m), non-recurrent operating expenditure (\$8.96m), and reduced operating income due to the closure and restricted operations of some Council services as a result of the COVID-19 pandemic.

Financial Obligations



- Local Government Victoria acceptable range 0% to 70%
- Council Target band of 20% to 60%
- This indicates Council has a level of borrowing that is appropriate to their activities and have a strong capacity to meet their long term obligations
- Adopted Budget and Q1 Adopted Forecast include \$10m borrowings included in the 2020/2021 Adopted Budget

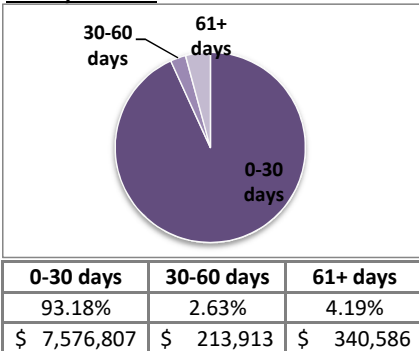
Financial Health



- Local Government Victoria acceptable range 100% to 400%
- Council target band of 120% to 200%
- VAGO indicate any level of liquidity higher than 100% is considered low risk
- Adopted Budget and Q1 Adopted Forecast are both below Council's target band reflecting Council's recent capital works programs.

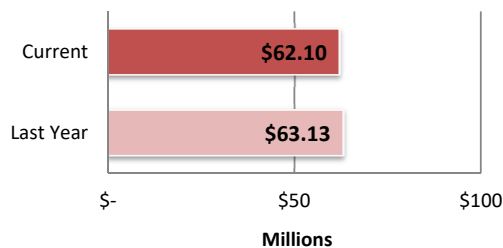
Other Financial Performance

Sundry Debtors



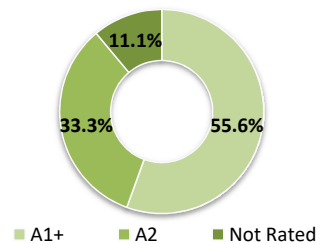
Rates Debtors

Second instalment due 30 November 2020



Investments

\$18m with average interest rate 0.69%
\$40k interest income to date



Operating Performance SEPTEMBER 2020

Income	YTD Adopted Forecast Q1 vs YTD Actual (Fav)/Unfav		Adopted Forecast Q1 vs Projected Full Year (Fav)/Unfav	
Rates and Charges	Steady	\$0m	Steady	\$0.08m
Statutory Fees	Steady	(\$0.01m)	Steady	\$0.08m
User Charges	Steady	(\$0m)	Steady	\$0.23m
Grants	Steady	(\$0m)	Steady	(\$0.5m)
Contributions	Steady	(\$0m)	Steady	(\$0m)
Other Revenue	Steady	(\$0.02m)	Steady	\$0.02m
Total Income	Steady	(\$0.04m)	Steady	(\$0.09m)
Expense				
Employee Costs	Steady	\$0.05m	Steady	(\$0.38m)
Materials and Services	Steady	\$0.7m	Steady	\$0.99m
Bad and Doubtful Debts	Steady	\$0m	Steady	\$0m
Depreciation	Steady	(\$0m)	Steady	\$0m
Amortisation	Steady	\$0m	Steady	\$0m
Borrowing Costs	Steady	\$0m	Steady	\$0m
Finance Costs - Leases	Steady	\$0m	Steady	\$0m
Other Expenses	Steady	(\$0m)	Steady	\$0m
Total Expense	Steady	\$0.75m	Steady	\$0.61m

Capital Works Performance SEPTEMBER 2020

ADOPTED BUDGET	ADOPTED FORECAST Q1	PROJECTED FULL YEAR	YTD ACTUAL
\$61.72m	\$65.28m	\$65.98m	\$14.86m

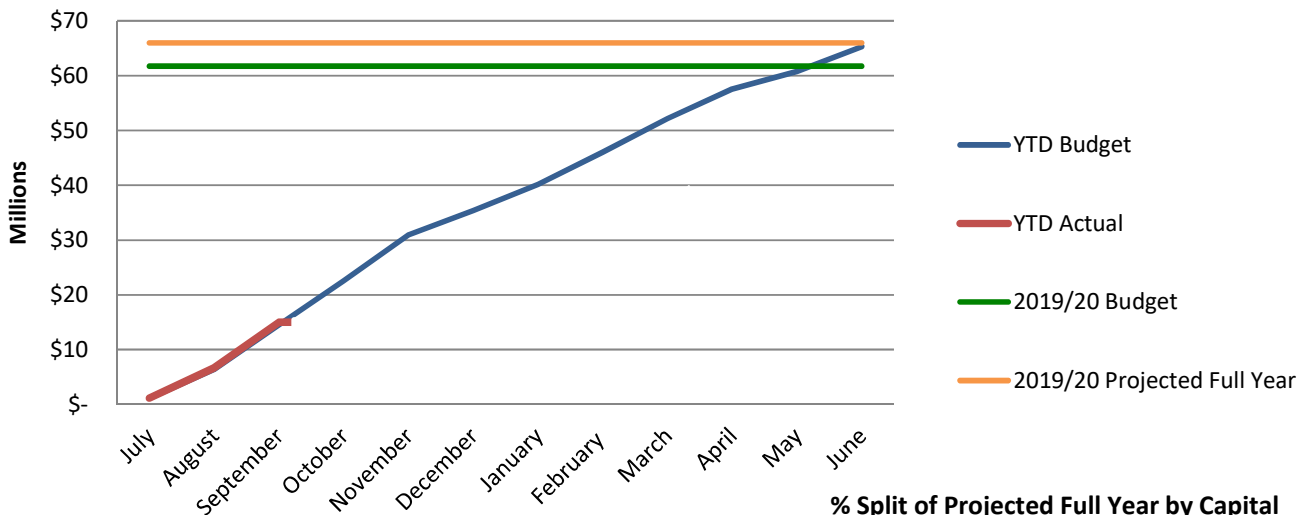
PROGRESS

*24.08% of Adopted Budget spent

*22.52% of current full year projection spent

* Same time last year: \$10.43m (14.16%) of the 2019/2020 Adopted Budget had been spent

CAPITAL WORKS BUDGET VS. ACTUAL

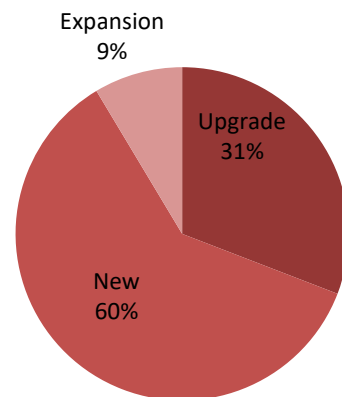


RENEWAL

Asset Renewal and Upgrade	
Asset renewal and upgrade as a percentage of depreciation	
ADOPTED BUDGET	PROJECTED FULL YEAR
112.16%	121.83%

- Expected range of 40% to 130%; Target band of 90% to 110%.
 - Indicator of assets being renewed as planned. High or increasing percentages indicate improvement in capacity to meet long term obligations.

% Split of Projected Full Year by Capital Works Type



Greater Shepparton City Council
Income Statement
for period ended September 2020

	YEAR TO DATE					FULL YEAR					Notes
	2020/2021	2020/2021	2020/2021	YTD	YTD	2020/2021	2020/21	2020/2021	Adopted	Adopted	
	YTD	YTD	YTD	Adopted	Adopted	Projected Full	Adopted	Adopted	Budget	Forecast Q1	
Adopted	Adopted	Actual	Budget	Forecast Q1	Year	Budget	Forecast Q1	Variance	Variance		
	Budget	Forecast Q1		Variance	Variance				(Fav)/Unfav	(Fav)/Unfav	
	\$	\$	\$	(Fav)/Unfav	(Fav)/Unfav	\$	\$	\$	(Fav)/Unfav	(Fav)/Unfav	
				%	%				%	%	
Revenues from Operating Activities											
Rates and Charges	82,435	82,773	82,773	(0.4%)	0.0%	82,849	83,403	83,323	(0.6%)	0.1%	
Statutory Fees	766	596	608	20.6%	(2.0%)	3,563	3,535	3,455	3.0%	2.3%	
User Charges	3,536	3,991	3,993	(12.9%)	(0.1%)	16,857	15,027	14,793	12.2%	1.6%	1
Operating Grants	5,474	5,694	5,694	(4.0%)	(0.0%)	23,774	24,453	24,954	(5.0%)	(2.0%)	2
Operating Contributions	145	243	245	(68.8%)	(0.8%)	780	709	711	8.9%	(0.2%)	
Other	412	350	369	10.6%	(5.4%)	1,623	1,359	1,338	17.6%	1.5%	3
Total Operating Revenue	92,770	93,647	93,683	(1.0%)	(0.0%)	129,448	128,486	128,574	0.7%	(0.1%)	
Expenses from Operating Activities											
Employee Costs	12,562	12,172	12,224	(2.7%)	0.4%	51,067	56,271	55,887	9.4%	(0.7%)	4
Materials and Services	13,489	11,653	12,353	(8.4%)	6.0%	61,353	56,723	57,716	(5.9%)	1.8%	5
Bad & Doubtful Debts	20	0	0	(100.0%)	0.0%	186	163	163	(12.3%)	0.0%	
Depreciation	8,211	8,077	8,077	(1.6%)	(0.0%)	32,844	32,844	32,844	0.0%	0.0%	
Amortisation - Leases	82	82	82	(0.0%)	(0.0%)	298	294	294	(1.5%)	0.0%	
Borrowing Costs	136	128	127	(6.3%)	(0.4%)	920	920	920	0.0%	0.0%	
Finance Costs - Leases	8	8	8	1.4%	(0.2%)	27	27	27	(1.6%)	0.0%	
Other Expenses	238	169	169	(29.1%)	(0.1%)	706	728	728	3.1%	0.1%	
Total Operating Expenses	34,745	32,288	33,040	(4.9%)	2.3%	147,401	147,969	148,578	0.8%	0.4%	
UNDERLYING OPERATING RESULT	58,024	61,359	60,643	(4.5%)	1.2%	(17,954)	(19,483)	(20,004)	(11.4%)	(2.7%)	
Non-operating Income and Expenditure											
Capital Grants	5,220	5,596	5,763	(10.4%)	(3.0%)	14,446	17,563	18,001	(24.6%)	(2.5%)	6
Capital Contributions	200	200	200	0.0%	0.0%	2,150	2,150	2,150	0.0%	0.0%	
Contributed Assets	2,000	0	0	100.0%	0.0%	5,943	5,943	5,943	0.0%	0.0%	
Proceeds from Sale of Assets	155	202	202	(30.1%)	0.0%	1,203	1,203	1,203	0.0%	0.0%	
Written Down Value of Asset Disposals	0	0	0	0.0%	0.0%	(573)	(573)	(573)	0.0%	0.0%	
Total Non Operating Items	7,575	5,998	6,165	18.6%	(2.8%)	23,169	26,286	26,724	(15.3%)	(1.7%)	
ACCOUNTING SURPLUS/(DEFICIT)	65,599	67,357	66,807	(1.8%)	0.8%	5,215	6,803	6,720	(28.9%)	1.2%	

Notes to the Income Statement for period ended September 2020

1) User Charges Projected Full Year is \$2.06m less than Adopted Budget. This unfavourable variance is mostly due to the closure and restricted operations of some Council services including Aquamoves (\$1.29m), Riverlinks (\$246k), Victoria Park Lake Caravan Park (\$202k), Commonwealth Home Support Program (\$187k), Business Centre (\$161k), Sport Facilities (\$119k), Commonwealth Home Support Program (\$187k), Parking Meters (\$150k), Sports Stadium (\$80k), Tatura Park (\$77k), KidsTown (\$62k), and Shepparton Show Grounds (\$25k) as a result of the COVID-19 pandemic.

2) Operating Grants Projected Full Year is \$1.18m more than 2020/2021 Adopted Budget. This favourable variance is mostly due to Outdoor Dining grant funding from the State Government (\$500k), and Drought Communities Extension Grants from the Federal Government for projects including Merrigum Recreation Reserve multi-use courts (\$401k) and small town and rural counselling events, including International Dairy Week (\$68k). This favourable variance is also impacted by additional grant funding for Early Childhood Education (\$232k) and Maternal Child Health (\$181k).

3) Other Income Projected Full Year is \$285k less than 2020/2021 Adopted Budget. This unfavourable variance is the closure and restricted operations of Riverlinks (\$332k) as a result of the COVID-19 pandemic. This unfavourable variance is partially offset by additional income from COVID-19 community activation and isolation initiative (\$25k) and rental income for the Youth Club hall (\$11k).

4) Employee Costs Projected Full Year is \$4.82m more than 2020/2021 Adopted Budget. This unfavourable variance is mostly due to the reclassification of Working For Victoria costs from Materials and Services to Employee Costs (\$7.29m). This unfavourable variance is partially offset by reductions caused by the temporary closure and restriction of operations of Council services including Aquamoves (\$870k), Riverlinks (\$119k), Aged Social Connections (\$90k) and KidsTown (\$73k) as a result of the COVID-19 pandemic. This unfavourable variance is also partially offset by staff vacancies across the organisation (\$219k) and a lower than anticipated 2020/2021 WorkCover premium (\$125K).

5) Materials and Services Projected Full Year is \$3.64m less than 2020/2021 Adopted Budget. This favourable variance is mostly due to the reclassification of Working For Victoria expenses from Materials and Services to Employee Costs (\$7.29m). This favourable variance is partially offset by increases caused by the following:

- contribution to ACE college for their relocation from their current space in the Youth Club hall due to the relocation of the CFA to Karibok Park (\$1m)
- contribution to Museum of Vehicle Evolution (\$900k). Funding received from Regional Development Victoria in 2019/2020
- Merrigum recreation reserve multi use court project. This is a new project funded by Drought Communities Extension Grants (\$575k)
- Outdoor Dining business support (\$500k) funded by State Government grants
- rebudget of Victoria Park Lake Caravan Park water main works, budgeted for but not fully completed in 2019/2020 (\$104k)

6) Capital Grants Projected Full year is \$3.55m more than 2020/2021 Adopted Budget. This favourable variance is mostly due to Drought Communities Extension Grants from the Federal Government for projects including Tatura 10km Walking/Cycling Loop (\$128k), Tatura Park Renewals (\$95k), Colaura Gardens Shade Sale (\$94k), Katandra West Netball Court (\$50k) and Tallygaroopna Victoria Street Path (\$44k). This favourable variance is also impacted by additional grant funding for shared path extension Route 3 and 5 (\$1.09m), Greater Shepparton Regional Sports Precinct (\$715k), Aerodrome Plane Parking and Concrete Helipad (\$452k), Deakin Reserve Master Plan- Netball Precinct (\$450k), Dookie Rail Trail stage 2 (\$200k), and Princess Park off-leash Dog Park (\$158k).

Greater Shepparton City Council

Balance Sheet

as at September 2020

	Total Actual June 2020 \$ ' 000	Adopted Budget June 2021 \$ ' 000	Adopted Forecast Q1 June 2021 \$ ' 000	YTD Adopted Budget 2021 \$ ' 000	YTD Adopted Forecast Q1 2021 \$ ' 000	YTD Actual 2021 \$ ' 000	Total Actual June 2020 Variance (Fav)/Unfav \$ ' 000	Adopted Forecast Q1 Variance (Fav)/Unfav %	Notes
Current Assets									
Cash and Cash Equivalent	34,692	10,216	10,216	31,918	29,371	28,453	18.0%	(178.5%)	
Receivables	12,599	11,776	12,539	76,325	80,825	80,825	(541.5%)	(544.6%)	
Other Financial Assets	10,000	1,779	14,069	16,000	8,000	8,000	20.0%	43.1%	
Inventories	88	107	88	100	180	180	(104.2%)	(104.2%)	
Assets Held for Resale	450	55	450	450	450	450	0.0%	0.0%	
Other Assets	1,258	1,698	1,258	46	137	137	89.1%	89.1%	
Total Current Assets	59,087	25,631	38,620	124,839	118,964	118,045	(99.8%)	(205.7%)	
Non Current Assets									
Investment in Associates	1,447	1,393	1,447	1,393	1,447	1,447	0.0%	0.0%	
Infrastructure	1,162,016	1,151,886	1,196,535	1,170,906	1,168,420	1,168,801	(0.6%)	2.3%	1
Intangible Assets	32,276	-	32,276	-	32,276	32,276	0.0%	0.0%	
Right-of-use Assets	934	652	640	852	852	852	8.8%	(33.0%)	
Total Non Current Assets	1,196,673	1,153,931	1,230,898	1,173,150	1,202,994	1,203,375	(0.6%)	2.2%	
Total Assets	1,255,760	1,179,562	1,269,518	1,297,989	1,321,958	1,321,421	(5.2%)	(4.1%)	
Current Liabilities									
Trade & Other Payables	19,635	9,041	20,765	22,625	18,834	18,846	(4.0%)	(9.2%)	
Trust Funds	2,740	2,804	2,740	2,740	2,673	2,673	(2.5%)	(2.5%)	
Provisions	14,403	9,761	11,115	15,052	14,395	14,395	(0.1%)	29.5%	1
Interest Bearing Liabilities	1,613	2,073	1,680	1,410	1,410	1,410	(12.6%)	(16.1%)	
Lease Liabilities	288	257	242	208	208	208	(27.8%)	(14.0%)	
Total Current Liabilities	38,679	23,936	36,541	42,035	37,519	37,532	(3.0%)	2.7%	
Non Current Liabilities									
Provisions	39,426	8,324	39,426	39,705	39,426	39,426	0.0%	(0.0%)	1
Interest Bearing Liabilities	13,973	22,035	22,293	13,973	13,973	13,973	0.0%	(37.3%)	
Lease Liabilities	661	416	420	661	661	661	0.0%	57.6%	
Total Non Current Liabilities	54,061	30,775	62,139	54,340	54,061	54,061	0.0%	(13.0%)	
Total Liabilities	92,739	54,711	98,680	96,375	91,580	91,592	(1.2%)	(7.2%)	
Net Assets	1,163,021	1,124,851	1,170,839	1,201,615	1,230,378	1,229,829	94.2%	(5.0%)	
Represented By									
Accumulated Surplus	444,291	450,922	451,094	482,870	511,648	511,099	(15.0%)	(13.3%)	
Reserves	718,730	673,929	718,744	718,744	718,730	718,730	0.0%	0.0%	
Total Equity	1,163,021	1,124,851	1,169,839	1,201,615	1,230,378	1,229,829	94.2%	(5.1%)	

Notes to the Balance Sheet as at September 2020

1) Intangible Assets (\$32.28m), Current Provisions (\$14.40m) and Non-Current Provisions (\$39.43m) actuals are all greater than adopted budget due to accounting for landfill requirements relating to Cosgrove 3, whereby Council must record a provision to meet the future rehabilitation, monitoring and aftercare costs of the landfill site, in addition to an intangible airspace asset equal to the future cashflows generated by the site.

Greater Shepparton City Council

Cash Flow Statement as at September 2020

	2020/2021 Adopted Budget \$ ' 000	2020/2021 Adopted Forecast Q1 \$ ' 000	2020/2021 YTD Adopted Budget \$ ' 000	2020/2021 YTD Adopted Forecast Q1 \$ ' 000	2020/2021 YTD Actual \$ ' 000	Adopted Budget Variance (Fav)/Unfav %	Adopted Forecast Q1 Variance (Fav)/Unfav %
Cash flows from operating activities							
Receipts from customers	101,266	105,113	23,368	19,329	24,470	(4.7%)	(26.6%)
Payments to suppliers	(117,190)	(117,172)	(15,889)	(26,979)	(29,415)	85.1%	9.0%
Net cash inflow(outflow) from customers(suppliers)	(15,924)	(12,059)	7,479	(7,651)	(4,946)	(166.1%)	(35.4%)
Interest received	500	500	92	33	33	64.2%	0.6%
Government receipts	37,106	41,915	10,694	11,290	11,457	(7.1%)	(1.5%)
Contributions	2,930	2,859	317	415	417	(31.5%)	(0.5%)
Net cash inflow(outflow) from operating activities	24,612	33,215	18,583	4,088	6,962	(62.5%)	70.3%
Cash flows from investing activities							
Net movement in other financial assets	33,793	(4,069)	(6,000)	2,000	2,000	133.3%	149.2%
Infrastructure, property, plant & equipment - proceeds	1,203	1,203	155	202	202	(30.1%)	0.0%
Infrastructure, property, plant & equipment - payments	(62,330)	(61,979)	(15,086)	(11,192)	(14,985)	(0.7%)	33.9%
Net cash inflow(outflow) from investing activities	(27,334)	(64,844)	(20,931)	(8,990)	(12,783)	38.9%	(42.2%)
Cash flows from financing activities							
Finance Cost	(920)	(920)	(136)	(128)	(127)	(6.3%)	(0.4%)
Proceeds from interest bearing loans and borrowings	10,000	10,000	-	-	-	0.0%	0.0%
Repayment of interest-bearing loans and borrowings	(1,532)	(1,613)	(203)	(203)	(203)	0.0%	0.0%
Interest Paid - Lease Liability	(27)	(27)	(8)	(8)	(8)	1.4%	(0.2%)
Repayment of Lease Liability	(287)	(288)	(80)	(80)	(80)	(0.0%)	(0.0%)
Net cash inflow(outflow) from financing activities	7,234	7,152	(427)	(419)	(418)	(2.0%)	(0.1%)
Net increase(decrease) in cash and equivalents	4,512	(24,477)	(2,775)	(5,321)	(6,240)	124.9%	17.3%
Cash and equivalents at the beginning of the year	5,705	34,692	34,692	34,692	34,692	(0.0%)	(0.0%)
Cash and equivalents at the end of the year	10,217	10,216	31,918	29,371	28,453	10.9%	3.1%

Greater Shepparton City Council
Capital Works Statement
 period ended September 2020

Capital Works Area	2020/2021	2020/2021	2020/2021	YTD	YTD	2020/2021	2020/2021	2020/2021	Adopted	Adopted	Note
	YTD	YTD	YTD	Adopted	Adopted						
	Adopted	Adopted	Actual	Budget	Forecast Q1						
	Budget	Forecast Q1		Variance	Variance				(Fav)/Unfav	(Fav)/Unfav	
	\$ ' 000	\$ ' 000	\$ ' 000	(Fav)/Unfav	(Fav)/Unfav				%	%	
Aerodrome	0	0	0	0%	0%						
Bridges	250	239	239	(4%)	(0%)						
Buildings	10,096	9,302	9,477	(6%)	2%						
Computer & Telecommunications	380	14	14	(96%)	(0%)						
Drainage	448	103	216	(52%)	110%						
Fixture Fittings and Furniture	0	0	0	0%	0%						
Footpaths & Cycleways	704	307	307	(56%)	0%						
Land Improvements	0	0	0	0%	0%						
Off Street Car Parks	0	32	32	0%	0%						
Parks, Open Space & Streetscape	99	51	55	(45%)	7%						
Plant Machinery & Equipment	1,185	1,181	1,181	(0%)	(0%)						
Recreational Leisure and Community Facilities	321	555	640	99%	15%						
Roads	3,244	2,318	2,321	(28%)	0%						
Waste Management	0	0	1	0%	100%						
Other Infrastructure	117	102	102	(13%)	0%						
Project Management Office	281	277	277	(2%)	0%						
Total Capital Works	17,126	14,480	14,861	(13%)	3%						

Capital Works Area	2020/2021	2020/2021	2020/2021	YTD	YTD	2020/2021	2020/2021	2020/2021	Adopted	Adopted	Note
	YTD	YTD	YTD	Adopted	Adopted						
	Adopted	Adopted	Actual	Budget	Forecast Q1						
	Budget	Forecast Q1		Variance	Variance				(Fav)/Unfav	(Fav)/Unfav	
	\$ ' 000	\$ ' 000	\$ ' 000	(Fav)/Unfav	(Fav)/Unfav				%	%	
Renewal	4,931	3,812	4,027	(18%)	6%						
Upgrade	692	459	466	(33%)	1%						
New	10,465	9,300	9,294	(11%)	(0%)						
Expansion	756	632	921	22%	46%						
Project Management Office	281	277	277	(2%)	0%						
Total Capital Works	17,126	14,480	14,985	(13%)	3%						

Notes to the Capital Works Statement for period ended September 2020

- 1) Aerodrome Projected Full Year is \$452k more than 2020/2021 Adopted Budget. This unfavourable variance is due to an increase in the Aerodrome plane parking and concrete helipad project (\$452k) which is offset by additional grant income.
- 2) Bridges Projected Full Year is \$232k more than 2020/2021 Adopted Budget. This unfavourable variance is due to bridge renewal works budgeted for the 2019/2020 to be completed in 2020/2021 (\$130k) and additional Watt Road Bridge maintenance (\$100k).
- 3) Buildings Projected Full Year is \$1.56m less than 2020/2021 Adopted Budget. This favourable variance is due to Shepparton Art Museum works budgeted for in 2020/2021, but completed in 2019/2020 (\$2.69m). The overall cost of this project has not changed. This favourable variance is partially offset by increases in the following projects, some of which were budgeted for in 2019/2020 to be completed in 2020/2021:
- Saleyards Remediation works (\$615k; \$190k rebudgeted from 2019/2020)
 - Maude Street Mall Precinct Redevelopment (\$359k; \$218k rebudgeted from 2019/2020)
 - Tatura Library Redevelopment (\$300k)
 - Public Toilet Replacement Program (\$121k rebudgeted from 2019/2020).
- 4) Computer & Telecommunications Projected Full Year is \$302k more than 2020/2021 Adopted Budget. This unfavourable variance due to Public Wifi works budgeted for in 2019/2020 to be completed in 2020/2021 (\$295k).
- 5) Drainage Projected Full Year is \$1.01m more than 2020/2021 Adopted Budget. This unfavourable variance is mostly due to increases in the following projects, some of which were budgeted for in 2019/2020 to be completed in 2020/2021:
- North Growth Corridor Drainage (\$547k; \$456k rebudgeted from 2019/2020)
 - Katandra West Basin (\$244k rebudgeted from 2019/2020)
 - Southdown Precinct YAKKA Basin (\$208k; \$95k rebudgeted from 2019/2020)
- 6) Footpaths and Cycleways Projected Full Year is \$745k more than 2020/2021 Adopted Budget. This unfavourable variance is due to the following projects budgeted for in 2019/2020 to be completed in 2020/2021:
- Shared Path Extension Route 3 and 5 (\$287k)
 - Dookie Rail - Stage 2: Dookie to Conway Road (\$206k)
 - South Growth Corridor Shared Paths (\$136k)
 - Midland Highway Recreational Path - Shepparton East (\$116k)
- 7) Offstreet car parks Projected Full Year is \$118k more than 2020/2021 Adopted Budget. This unfavourable variance is due to Tom Collins Drive landscaping, parking and revegetation works budgeted for in 2019/2020 to be completed in 2020/2021 (\$118k).
- 8) Parks, Open Space and Streetscapes Projected Full Year is \$196k more than Adopted Forecast Q1 and \$222k more than 2020/2021 Adopted budget. These unfavourable variances are mostly due to Princess Park off-leash dog park (\$195k) which is offset by additional grant income.
- 9) Recreation, Leisure and Community Facilities Projected Full Year is \$2.34m more than 2020/2021 Adopted Budget. This unfavourable variance is mostly due to Deakin Reserve Master Plan Netball Precinct (\$840k) which is partially offset by additional grant income. This unfavourable variance is also impacted by the following projects budgeted for in 2019/2020 to be completed in 2020/2021:
- Aquamoves 50m Pool Heating (\$392k)
 - Sports Precinct Storage Compound (\$325k)
 - Vibert Reserve Security Fencing and Lighting (\$195k)
 - Aquamoves 25m Pool Tile Renewal (\$127k)